HOUSING NOW
Charlottetown CA

CANADA MORTGAGE AND HOUSING CORPORATION

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Starts Activity Increased in Charlottetown

Since 2009, the Charlottetown housing market has been performing well above average due to a significant increase in multiple starts, a trend that has continued into 2012. The most recent increase in multiples development has been the result of historically low interest rates combined with strong international immigration to the area due largely to the Provincial Nominee Program.

The Charlottetown CA started out the year slowly, but the level of activity has accelerated as the year progressed. Total starts in the Charlottetown area rose in the third quarter to 255 units, from 197 during the same period last year. Single starts, which recorded 84 units in the third quarter of 2012, are now ahead of the 2011 level of 66 new units. Semi-detached starts

Figure 1

Source: CMHC

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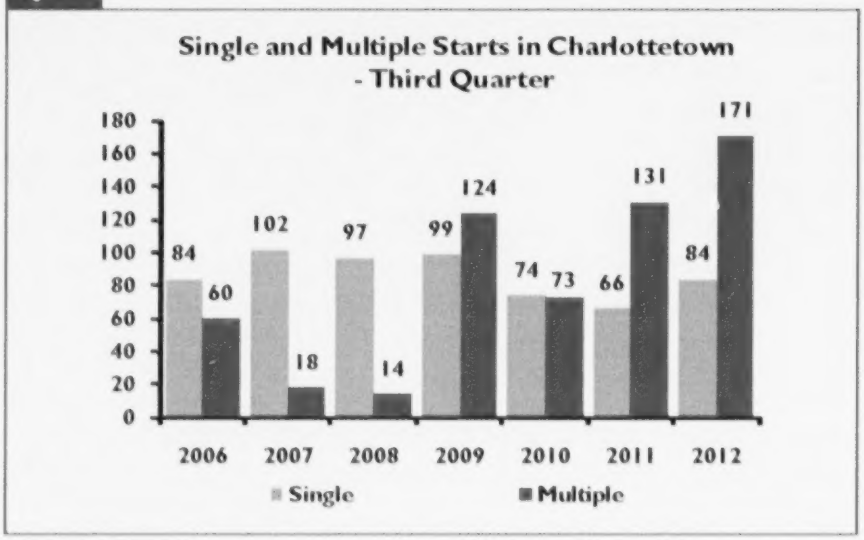
also recorded a strong third quarter with 26 units in 2012 up from 18 units during the same period last year. Apartment starts posted the largest increase during the quarter, rising to 125 new units from 90 in 2011.

With the strong results recorded during the most recent quarter, total new construction in the Charlottetown area is now ahead of 2011 on a year-to-date (YTD) basis. YTD total housing starts in the Charlottetown area reached 474 units in 2012 from 379 in 2011, an increase of over 25 per cent. Single starts, due to a strong third quarter, have increased to 162 units from 137 units in 2011. Apartment starts have also posted an increase in 2012 with 250 units, up from 190 in 2011. Semi-detached units also recorded a strong first nine months of 2012 with 42 units up from 26 units during the same period last year. The only housing type to record a decline in 2012 has been row units, which saw output fall to 20 units from 26 units in 2011. However, the production of multiple units with homeownership or condo tenure has risen in 2012 to 47 units, from 18 units in 2011. This indicates that there is still a strong demand for multiple units for the homeownership market. This trend is expected to continue as the population continues to age and searches out more maintenance free living options, combined with first-time homebuyers looking to lower their monthly carrying costs when compared to single-detached homes.

On a YTD basis, total starts in Charlottetown City proper, increased to 265 units from 200 units in 2011. This increase was the result of more multiple starts, which rose to 220 units from 154 units in the same period last year, based on the strength of apartment starts. Single starts however were relatively unchanged

Figure 2



Source: CMHC

falling by just one unit to 45 starts. The Town of Stratford, which is the second largest market in the CA, reported a modest increase in housing activity during the first nine months of 2012, with 112 units this year compared to 105 units in 2011.

New Home Price Recorded New High

The cost of a new home in the Charlottetown area rose in the first nine months of 2012 by more than four per cent to $254,500. This is a new high for the area, and has been driven mainly by consumer preferences for larger homes. While some of the recent price increases can be attributed to rising land, labour and material costs, it is not enough to explain the rise in new home prices. As measured by Statistics Canada's New House Price Index, new homes in the Charlottetown CA advanced by 0.8 per cent during the first nine months of 2012. This figure includes both the structure and the lot, and is the increase in costs when building roughly the same home year over year. Therefore, increases in land, labour and material do not explain the four per cent increase recorded this year. What does explain the additional increase is the fact that consumers are choosing to build larger, more feature laden homes that by their very nature are more costly to construct.

Within the capital region, the Town of Stratford continues to record the highest average new home price, at $285,000 YTD in 2012, up over 6.5 per cent from the 2011 level. Charlottetown City proper continues to record the second highest average price, which was up over 3.7 per cent to $254,000 from last year.

MLS® Sales Were Down in the Th' d Quarter

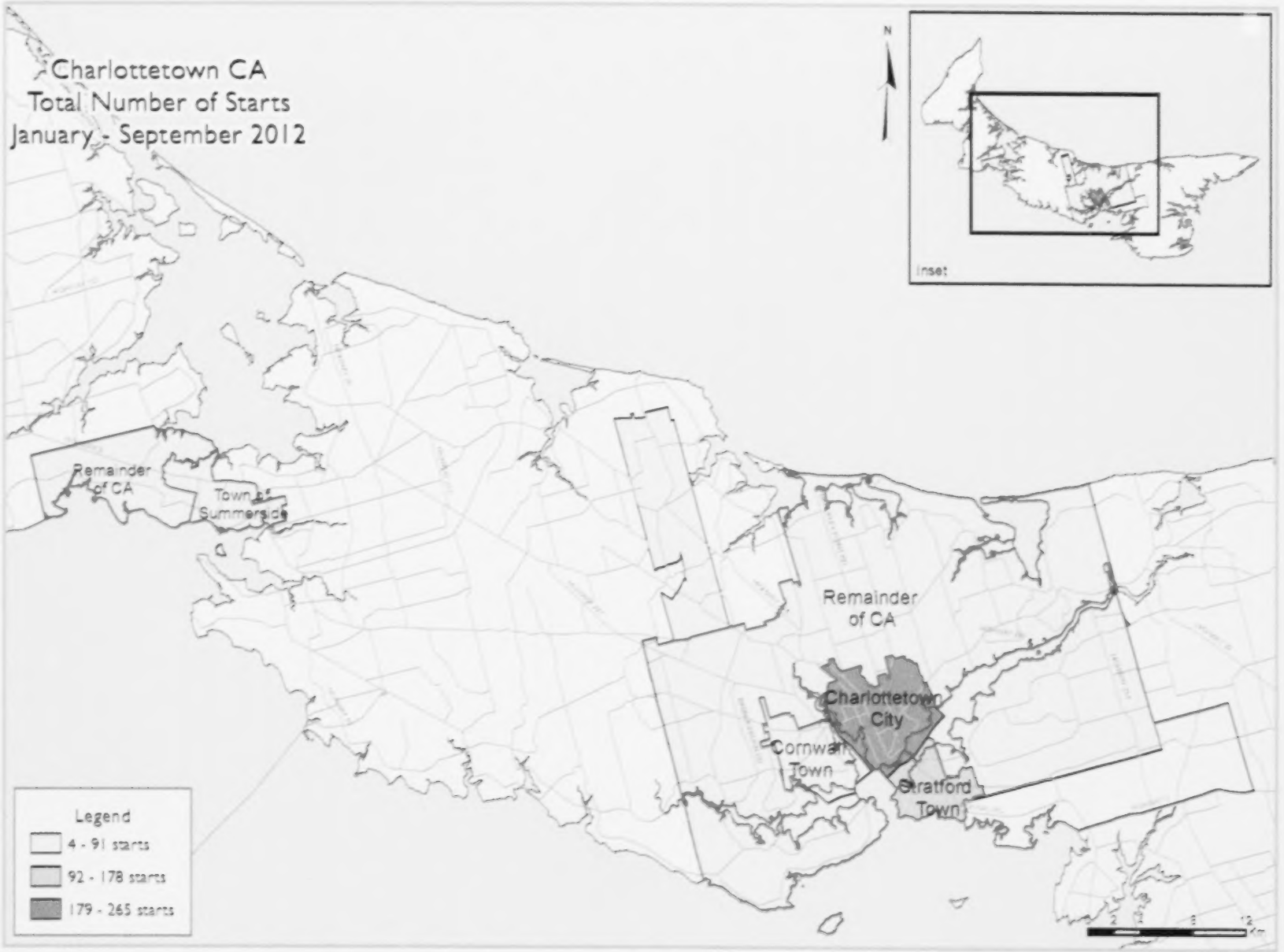
It is now evident that in terms of unit sales the Charlottetown resale market peaked in 2007, and has been on a slow and steady decline since. So far, 2012 has been no exception to this trend, with the pace of existing home sales slightly behind the pace set during the same period last year.

Despite the decline in unit sales, the average sale price continues to increase, albeit at a more moderate pace, than what was recorded during the 2004-2009 period.

Overall, new listings have risen during the first nine months of 2012, due primarily to a strong increase during the first six months of the year. Current homeowners listing their properties in an effort to realize profits from the recent appreciation in the price of their homes is believed to be one of the reasons for the increased number of listings. The increased number of listings has also helped to move the market into a "balanced" state, after being rated as "seller's" for several years. This increased level of listings has provided ample choice for consumers during the past few years, resulting in an increase in days on market as well as a slower pace of price growth.

The overall average MLS® sale price recorded no change in the Capital Region during the third quarter of 2012, when compared to 2011. However, there were some significant changes in average sale price when viewed at the submarket level. District 7, which is the Stratford area, easily led the way for the Charlottetown area with an average sale price of $227,862 for the third quarter, which was almost unchanged from 2011. In terms of price growth during the third quarter, District 4 recorded the most significant increase with a 12 per cent rise from the 2011 level. Price growth on a YTD basis was similar to the third quarter result, with no change recorded overall. However, like the third quarter, prices did fluctuate at the district level, with half posting increases and the other half recording declines.

MLS® sales in the capital region recorded declines in two of the four submarkets that make up the Charlottetown area during the third quarter of 2012. Districts 4 and 6 posted declines with sales slipping 12 and 13 per cent, respectively. District 7, which is the Stratford area, posted the only increase, with sales rising from 44 units last year to 49 in the third quarter of 2012. On an YTD basis, sales declined in all four districts, with declines ranging from one per cent in District 7, to seven per cent in District 5.



Canada Mortgage and Housing Corporation

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3.5	Completions by Submarket and by Intended Market – Year-to-Date
4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
..	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA
Third Quarter 2012

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q3 2012	84	26	0	0	12	35	8	90	255
Q3 2011	66	18	15	0	0	0	8	90	197
% Change	27.3	44.4	-100.0	n/a	n/a	n/a	0.0	0.0	29.4
Year-to-date 2012	162	42	0	0	12	35	8	215	474
Year-to-date 2011	137	26	18	0	0	0	8	190	379
% Change	18.2	61.5	-100.0	n/a	n/a	n/a	0.0	13.2	25.1
UNDER CONSTRUCTION									
Q3 2012	109	32	3	0	12	47	10	138	351
Q3 2011	74	18	15	0	0	0	0	147	254
% Change	47.3	77.8	-80.0	n/a	n/a	n/a	n/a	-6.1	38.2
COMPLETIONS									
Q3 2012	57	10	0	0	0	0	2	76	145
Q3 2011	64	6	0	0	5	0	8	138	221
% Change	-10.9	66.7	n/a	n/a	-100.0	n/a	-75.0	-44.9	-34.4
Year-to-date 2012	135	28	16	0	0	12	4	239	434
Year-to-date 2011	127	24	13	0	15	0	8	182	369
% Change	6.3	16.7	23.1	n/a	-100.0	n/a	-50.0	31.3	17.6
COMPLETED & NOT ABSORBED									
Q3 2012	23	10	1	0	0	7	0	73	114
Q3 2011	15	12	2	0	0	8	0	69	106
% Change	53.3	-16.7	-50.0	n/a	n/a	-12.5	n/a	5.8	7.5
ABSORBED									
Q3 2012	46	10	1	0	0	1	2	69	129
Q3 2011	62	8	6	0	5	0	10	54	145
% Change	-25.8	25.0	-83.3	n/a	-100.0	n/a	-80.0	27.8	-11.0
Year-to-date 2012	114	26	17	0	0	12	4	169	342
Year-to-date 2011	137	19	13	0	15	40	10	108	342
% Change	-16.8	36.8	30.8	n/a	-100.0	-70.0	-60.0	56.5	0.0

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1b: Housing Activity Summary of Summerside CA Third Quarter 2012

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q3 2012	4	2	0	0	0	0	8	0	14
Q3 2011	18	6	0	0	0	0	1	34	59
% Change	-77.8	-66.7	n/a	n/a	n/a	n/a	**	-100.0	-76.3
Year-to-date 2012	10	6	0	0	0	0	19	0	35
Year-to-date 2011	30	12	8	0	0	0	1	50	101
% Change	-66.7	-50.0	-100.0	n/a	n/a	n/a	**	-100.0	-65.3
UNDER CONSTRUCTION									
Q3 2012	7	4	0	0	0	0	8	0	19
Q3 2011	7	6	0	0	0	0	0	44	57
% Change	0.0	-33.3	n/a	n/a	n/a	n/a	n/a	-100.0	-66.7
COMPLETIONS									
Q3 2012	3	0	6	0	0	0	8	0	17
Q3 2011	17	2	8	0	0	0	3	6	36
% Change	-82.4	-100.0	-25.0	n/a	n/a	n/a	166.7	-100.0	-52.8
Year-to-date 2012	7	0	6	0	0	0	25	12	50
Year-to-date 2011	23	8	8	0	0	0	3	20	62
% Change	-69.6	-100.0	-25.0	n/a	n/a	n/a	**	-40.0	-19.4
COMPLETED & NOT ABSORBED									
Q3 2012	0	0	0	0	0	0	0	0	0
Q3 2011	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q3 2012	0	0	0	0	0	0	0	0	0
Q3 2011	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2012	0	0	0	0	0	0	0	0	0
Year-to-date 2011	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Third Quarter 2012

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q3 2012	24	14	0	0	0	35	0	86	159
Q3 2011	19	10	5	0	0	0	0	48	82
Stratford Town									
Q3 2012	19	8	0	0	12	0	0	0	39
Q3 2011	14	6	6	0	0	0	0	42	68
Cornwall Town									
Q3 2012	6	0	0	0	0	0	8	0	14
Q3 2011	8	2	4	0	0	0	0	0	14
Remainder of the CA									
Q3 2012	35	4	0	0	0	0	0	4	43
Q3 2011	25	0	0	0	0	0	8	0	33
Charlottetown CA									
Q3 2012	84	26	0	0	12	35	8	90	255
Q3 2011	66	18	15	0	0	0	8	90	197
UNDER CONSTRUCTION									
Charlottetown City									
Q3 2012	31	18	0	0	0	35	0	94	178
Q3 2011	24	8	5	0	0	0	0	105	142
Stratford Town									
Q3 2012	31	8	3	0	12	12	2	36	104
Q3 2011	19	6	6	0	0	0	0	42	73
Cornwall Town									
Q3 2012	10	0	0	0	0	0	8	0	18
Q3 2011	8	4	4	0	0	0	0	0	16
Remainder of the CA									
Q3 2012	37	6	0	0	0	0	0	8	51
Q3 2011	23	0	0	0	0	0	0	0	23
Charlottetown CA									
Q3 2012	109	32	3	0	12	47	10	138	351
Q3 2011	74	18	15	0	0	0	0	147	254

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Third Quarter 2012

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q3 2012	15	2	0	0	0	0	0	49	66
Q3 2011	19	6	0	0	0	0	0	82	107
Stratford Town									
Q3 2012	15	4	0	0	0	0	2	23	44
Q3 2011	19	0	0	0	5	0	0	56	80
Cornwall Town									
Q3 2012	4	4	0	0	0	0	0	0	8
Q3 2011	7	0	0	0	0	0	0	0	7
Remainder of the CA									
Q3 2012	23	0	0	0	0	0	0	4	27
Q3 2011	19	0	0	0	0	0	8	0	27
Charlottetown CA									
Q3 2012	57	10	0	0	0	0	2	76	145
Q3 2011	64	6	0	0	5	0	8	138	221
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q3 2012	5	6	1	0	0	7	0	49	68
Q3 2011	7	12	0	0	0	8	0	51	78
Stratford Town									
Q3 2012	13	2	0	0	0	0	0	24	39
Q3 2011	4	0	2	0	0	0	0	18	24
Cornwall Town									
Q3 2012	2	2	0	0	0	0	0	0	4
Q3 2011	3	0	0	0	0	0	0	0	3
Remainder of the CA									
Q3 2012	3	0	0	0	0	0	0	0	3
Q3 2011	1	0	0	0	0	0	0	0	1
Charlottetown CA									
Q3 2012	23	10	1	0	0	7	0	73	114
Q3 2011	15	12	2	0	0	8	0	69	106

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Third Quarter 2012

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q3 2012	12	4	1	0	0	1	0	42	60
Q3 2011	19	8	0	0	0	0	2	16	45
Stratford Town									
Q3 2012	10	4	0	0	0	0	2	23	39
Q3 2011	16	0	6	0	5	0	0	38	65
Cornwall Town									
Q3 2012	5	2	0	0	0	0	0	0	7
Q3 2011	7	0	0	0	0	0	0	0	7
Remainder of the CA									
Q3 2012	19	0	0	0	0	0	0	4	23
Q3 2011	20	0	0	0	0	0	8	0	28
Charlottetown CA									
Q3 2012	46	10	1	0	0	1	2	69	129
Q3 2011	62	8	6	0	5	0	10	54	145

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Charlottetown CA 2002 - 2011

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2011	201	44	20	0	0	0	8	261	534
% Change	-19.6	4.8	-42.9	n/a	n/a	n/a	n/a	36.6	3.1
2010	250	42	35	0	0	0	0	191	518
% Change	6.7	-8.7	0.0	n/a	-100.0	-100.0	-100.0	-21.4	-22.6
2009	268	46	35	0	19	46	12	243	669
% Change	-4.3	15.0	59.1	n/a	n/a	**	-40.0	**	57.0
2008	280	40	22	0	0	13	20	51	426
% Change	-5.1	-37.5	n/a	n/a	n/a	8.3	n/a	121.7	8.1
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490
% Change	6.8	-3.6	**	n/a	n/a	n/a	35.3	-50.6	1.4
2003	310	56	6	0	0	0	34	77	483
% Change	11.9	115.4	n/a	n/a	n/a	n/a	-59.0	4.1	4.8
2002	277	26	0	0	0	0	83	74	461

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type
Third Quarter 2012

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q3 2012	Q3 2011	Q3 2012	Q3 2011	Q3 2012	Q3 2011	Q3 2012	Q3 2011	Q3 2012	Q3 2011	% Change
Charlottetown City	24	19	14	10	0	5	121	48	159	82	93.9
Stratford Town	19	14	8	6	12	6	0	42	39	68	-42.6
Cornwall Town	6	8	0	2	8	4	0	0	14	14	0.0
Remainder of the CA	35	25	4	0	0	8	4	0	43	33	30.3
Charlottetown CA	84	66	26	18	20	23	125	90	255	197	29.4

Table 2.1: Starts by Submarket and by Dwelling Type
January - September 2012

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	% Change
Charlottetown City	45	46	18	16	0	8	202	130	265	200	32.5
Stratford Town	48	33	16	6	12	6	36	60	112	105	6.7
Cornwall Town	13	16	2	4	8	4	0	0	23	24	-4.2
Remainder of the CA	56	42	6	0	0	8	12	0	74	50	48.0
Charlottetown CA	162	137	42	26	20	26	250	190	474	379	25.1

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type
Third Quarter 2012

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q3 2012	Q3 2011	Q3 2012	Q3 2011	Q3 2012	Q3 2011	Q3 2012	Q3 2011	Q3 2012	Q3 2011	% Change
Charlottetown City	15	19	2	6	0	0	49	82	66	107	-38.3
Stratford Town	15	19	6	0	0	5	23	56	44	80	-45.0
Cornwall Town	4	7	4	0	0	0	0	0	8	7	14.3
Remainder of the CA	23	19	0	0	0	8	4	0	27	27	0.0
Charlottetown CA	57	64	12	6	0	13	76	138	145	221	-34.4

Table 3.1: Completions by Submarket and by Dwelling Type
January - September 2012

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	% Change
Charlottetown City	36	37	10	22	5	3	172	118	223	180	23.9
Stratford Town	44	37	12	2	3	25	79	56	138	120	15.0
Cornwall Town	15	15	6	0	4	0	0	0	25	15	66.7
Remainder of the CA	40	38	4	0	0	8	4	8	48	54	-11.1
Charlottetown CA	135	127	32	24	12	36	255	182	434	369	17.6

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
Third Quarter 2012

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q3 2012	0	0.0	0	0.0	3	25.0	0	0.0	9	75.0	12	284,750	294,783
Q3 2011	0	0.0	1	5.3	2	10.5	9	47.4	7	36.8	19	248,000	267,152
Year-to-date 2012	0	0.0	0	0.0	9	27.3	7	21.2	17	51.5	33	254,000	265,788
Year-to-date 2011	0	0.0	1	2.9	6	17.1	17	48.6	11	31.4	35	245,000	252,368
Stratford Town													
Q3 2012	0	0.0	0	0.0	1	10.0	3	30.0	6	60.0	10	325,000	343,910
Q3 2011	0	0.0	1	6.3	3	18.8	1	6.3	11	68.8	16	280,000	290,181
Year-to-date 2012	0	0.0	0	0.0	1	3.2	9	29.0	21	67.7	31	285,000	319,316
Year-to-date 2011	0	0.0	1	2.4	11	26.2	7	16.7	23	54.8	42	267,500	266,021
Cornwall Town													
Q3 2012	0	0.0	0	0.0	0	0.0	1	20.0	4	80.0	5	--	--
Q3 2011	0	0.0	0	0.0	0	0.0	5	71.4	2	28.6	7	--	--
Year-to-date 2012	1	7.1	0	0.0	2	14.3	2	14.3	9	64.3	14	254,950	291,650
Year-to-date 2011	0	0.0	1	5.0	6	30.0	10	50.0	3	15.0	20	222,500	214,900
Remainder of the CA													
Q3 2012	0	0.0	8	42.1	3	15.8	3	15.8	5	26.3	19	189,900	197,163
Q3 2011	3	15.0	5	25.0	2	10.0	5	25.0	5	25.0	20	195,000	190,550
Year-to-date 2012	0	0.0	9	25.0	9	25.0	7	19.4	11	30.6	36	197,500	227,281
Year-to-date 2011	3	7.5	7	17.5	7	17.5	14	35.0	9	22.5	40	210,000	205,000
Charlottetown CA													
Q3 2012	0	0.0	8	17.4	7	15.2	7	15.2	24	52.2	46	254,500	270,217
Q3 2011	3	4.8	7	11.3	7	11.3	20	32.3	25	40.3	62	246,450	245,625
Year-to-date 2012	1	0.9	9	7.9	21	18.4	25	21.9	58	50.9	114	250,000	271,360
Year-to-date 2011	3	2.2	10	7.3	30	21.9	48	35.0	46	33.6	137	239,900	237,254

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	Third Quarter 2012			Third Quarter 2011			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	164	197,509	237	171	196,570	240	-4.1%	0.5%	-1.3%
District 4	50	221,352	84	57	197,439	85	-12.3%	12.1%	-1.2%
District 5	32	162,037	47	32	172,645	51	0.0%	-6.1%	-7.8%
District 6	33	150,712	39	38	178,095	50	-13.2%	-15.4%	-22.0%
District 7	49	227,862	67	44	228,800	54	11.4%	-0.4%	24.1%
Summerside CA	60	114,793	78	60	140,745	111	0.0%	-18.4%	-29.7%
Total	224	175,353	315	231	182,070	351	-3.0%	-3.7%	-10.3%

Submarket	Year-to-date 2012			Year-to-date 2011			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	475	199,852	795	495	200,143	745	-4.0%	-0.1%	6.7%
District 4	166	203,589	266	174	192,004	269	-4.6%	6.0%	-1.1%
District 5	93	178,237	152	100	166,152	147	-7.0%	7.3%	3.4%
District 6	93	184,606	140	97	203,955	138	-4.1%	-9.5%	1.4%
District 7	123	222,678	237	124	235,992	191	-0.8%	-5.6%	24.1%
Summerside CA	167	128,785	211	168	138,499	196	-0.6%	-7.0%	7.7%
Total	642	181,366	1006	663	184,522	941	-3.2%	-1.7%	6.9%

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**District 4: Charlottetown City, Spring Park & West Royalty

**District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks

**District 6: Cornwall, North River & Winsloe

**District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

Source: PEI Real Estate Association

Table 6: Economic Indicators
Third Quarter 2012

		Interest Rates			NHPI, Total, Charlottetown CMA 2007=100	CPI, 2002 =100	Prince Edward Island Labour Market			
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($) (P.E.I.)
			1 Yr. Term	5 Yr. Term						
2011	January	592	3.35	5.19	100.0	119.7	70.7	11.3	67.3	706
	February	607	3.50	5.44	101.5	120.6	70.5	11.5	67.3	699
	March	601	3.50	5.34	101.5	121.7	71.8	11.2	68.2	700
	April	621	3.70	5.69	101.7	122.7	71.5	11.3	67.8	706
	May	616	3.70	5.59	102.1	123.3	71.6	11.8	68.2	707
	June	604	3.50	5.39	102.1	122.7	71.9	12.2	68.7	703
	July	604	3.50	5.39	103.4	122.7	72.1	11.4	68.2	701
	August	604	3.50	5.39	103.4	123.2	72.2	11.4	68.1	704
	September	592	3.50	5.19	103.2	123.1	73.3	11.4	69.1	710
	October	598	3.50	5.29	103.5	123.3	71.9	11.2	67.7	715
	November	598	3.50	5.29	103.5	123.4	72.7	11.2	68.4	724
	December	598	3.50	5.29	103.5	122.7	73.4	11.2	69.1	734
2012	January	598	3.50	5.29	103.3	122.9	72	12.2	68.8	737
	February	595	3.20	5.24	102.8	124.1	72.2	10.8	67.4	733
	March	595	3.20	5.24	102.8	124.8	72.0	11.3	67.4	722
	April	607	3.20	5.44	102.9	125.5	73.0	11.0	68.0	719
	May	601	3.20	5.34	102.5	125.1	72.0	11.3	67.3	724
	June	595	3.20	5.24	102.6	124.5	72.7	11.3	68.0	734
	July	595	3.10	5.24	102.8	124.5	73.6	10.2	68.0	735
	August	595	3.10	5.24	102.7	124.9	72.2	11.7	67.8	737
	September	595	3.10	5.24		125.5	72.0	11.2	67.1	740
	October									
	November									
	December									

"P & I" means Principal and Interest (assumes $100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions.

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